

suffered during this current shutdown. But, at the very least, we can say yes, we are going to face similar problems, similar inconveniences as to those Federal employees who will find their paycheck has lapsed. Unfortunately, we are not going to find that unless this legislation is brought up for immediate consideration and ultimately passed.

Unfortunately, as I said, we have objections from others who do not support this approach. I find that remarkable, given the conversations I have had with Federal employees and even my own staff, in what they are going to be facing because they will not have the assurance of a steady paycheck.

There are many people who have to live paycheck to paycheck. I think at the very least we ought to be setting an example, and not setting ourselves apart as somehow isolated from the problems that are associated with this current Government shutdown.

As the Senator from Arizona was just saying, Senator McCAIN, what about the businesses—the many businesses, the hotels and the restaurants that are associated, that depend on Federal employees working, whether it is here or the Grand Canyon? They will never recover their losses.

So what we are saying here is at least we ought to be experiencing some problems as a result of this shutdown, the same problems that others are experiencing, and certainly with respect to Federal employees. Tomorrow is another payday period. Again, there is a difference between how Members of the Congress and the President are being treated versus Federal employees. The difference will be that those Federal employees who are working currently will see a reduction in their pay, but Members of Congress and the President will not.

I hope, Mr. President, that we will find on our calendar this legislation because I think it is important to provide confidence in this institution, and the direction this country is taking, but also to restore the public's trust in its elected officials. And I hope that we will try to set an example by sharing in the same undue burdens that are being placed on Federal employees and their families. Those same burdens should be placed on Members of Congress and the President.

So I hope that every Member of this body will consent to providing for the consideration of this legislation on the calendar tomorrow.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Thank you, Mr. President.

MEMBERS' OBLIGATION TO BALANCE THE BUDGET

Mr. BROWN. Mr. President, I rise to share some thoughts with fellow Senators with regard to the nature of this problem. I do not think it is any mystery to most Members of the Senate why we are here.

Yet, as I hear this issue discussed in the national media, sometimes the real crux of the problem is missed. It can be summed up by taking a look at the reference in one of the documents provided in the last budget round. Interestingly enough, that document was provided by the President of the United States. Included in the information on the back page is this figure. It is an answer to a question of what the child born today would have to pay in the way of taxes to maintain the current programs that we have in place. Mr. President, that figure is calculated by a straightforward calculation that assumes there are absolutely no new programs added. That has never happened.

In the last quarter of century we have never had a time where we have not added new programs or expenditures. It assumes there are no emergencies. Even assuming no emergencies and no new programs, the child born today will pay 82 percent of everything they earn in their entire life in taxes simply to honor the current programs that are on the books.

Mr. President, let me repeat that, because I think that number must astound most people. It astounds me when I look at it. Eighty-two percent, according to the President's own numbers, will have to be paid in taxes simply to honor the existing programs we have.

The short answer of why that is true is simply because we have passed in prior years programs that are open-ended, that spend out automatically what are called entitlements that continue to increase automatically, and will take a larger and larger share of our gross domestic product.

We are here today because there is a crisis, and that crisis is that Congresses in the past have obligated future generations to a point where 82 percent of everything a child earns will have to be paid to the Federal Government just to honor existing programs.

Mr. President, there is no person, liberal or conservative, Democrat or Republican, who can look at that figure and imagine that America will be competitive with 82 percent of everything we produce being paid in taxes. It will destroy incentive. It will destroy our competitiveness in world markets. And anyone who comes to this floor and fails to recognize the desperate need for us to address these programs is simply not taking a look at the facts.

The facts also show we have the biggest deficit of any country in the world. We have the biggest debt of any country in the world—almost \$5 trillion. We have the biggest trade deficit of any country in the world. We have one of the lowest savings rates of any major industrialized country on the face of the Earth.

Mr. President, when you look at the facts they are awesome. I hope Members of the Senate who have come to the floor and said no action is necessary will think again. If America is to remain strong, viable, competitive,

and provide a future for our children other than 82 percent of everything they earn paid in taxes, we have to change. All the rhetoric cannot hide the fact that our future is dismal unless we change it. It is why I think there is such optimism in the country over the willingness of Congress to stand fast and insist on changes.

Mr. President, the distinguished Senator from Maine mentioned her bill which would place Members of Congress in the same circumstance as other Federal employees when we have a shutdown like this. I am proud to be a cosponsor of it. I very much hope it passes. When it comes to the floor for consideration, I want to add an additional amendment. I do not pretend that it will be popular. But I think it is along that same line, along the line we treat ourselves like everyone else; and, that is this:

For over a quarter of a century this Congress has passed budgets and ignored them. They have come up with phony estimates, and then they have overspent the budgets time and time again. Some of the Members who talk the loudest and the longest about balancing the budget happily turn around and then vote to exceed the budget each year. That is why we need an incentive. That is why we need the constitutional amendment to balance the budget recognizing the fact that Congress has been unable to face the reality that calls for difficult decisions.

I cannot imagine anyone in private thinking other than the fact that we have to have some discipline. And while some Members have shied away from a constitutional limitation—as the distinguished Presiding Officer recalls, we were one vote away from referring that constitutional amendment out to the States—I believe some discipline is possible. And it relates to the way private sectors are treated.

Mr. President, the proposal is going to be simply this: If we meet our budget targets in passing the budget this year, our pay stays the same. But, if we fail to meet them, for every \$5 billion we realize in debt that is over that target, we would lose 1 percent of our pay. So if it is \$10 billion over, we lose 10 percent. If we are \$20 billion over, we would lose 4 percent. This would cap out at a 30-percent pay reduction.

Mr. President, this will provide the real incentive because it will provide that Members of Congress will pay a personal price when they do harm to the fiscal soundness of this Nation, and the future of our children. We will have a direct financial interest in seeing that we meet our budget targets. Is it dire action? Yes, possibly. Is it essential? Mr. President, I believe it is essential.

I do not know whether that measure is going to pass or not. But I do know that some discipline is essential, and in a way this treats us exactly like the private sector. You see, if a private business does not perform, the owners and the employees are penalized in

what they can be paid and what they can earn. There is no reason to exempt this Congress of the United States from the real discipline of the marketplace. Our major responsibility is to get this country back on track.

I intend to offer an amendment to the measure of the distinguished Senator from Maine that would add that incentive for Members to honor their obligation to meet budget targets.

Mr. President, the controversy involves two major questions. I think some Americans may be surprised to focus on those because the national media have not focused on them perhaps the way we think they should. It involves commitment of this country to balance its budget in 7 years. And it involves honest real numbers. The President has said that he cannot live with the commitment to balance the budget in 7 years. The President has said he wants other than the Congressional Budget Office figures, ones from his administration, or perhaps others, to be the standard for the numbers.

Mr. President, I simply want to draw Members' attention to one fact. While the President now says he finds it unacceptable to be committed to a balanced budget in 7 years, when the President himself ran for office in 1992 he looked the American people in the eye and promised to balance it in 5 years.

Mr. President, he has never presented a budget that does that. Now, not only is he not willing to stand up for a 5-year commitment, he said he would veto a continuing resolution—he has, indeed, vetoed a previous one—if it insists on a commitment to a 7-year balanced budget.

Most Americans must be surprised at this. It runs directly contrary to his promise to the American people when he ran for office.

The President specifically promised a balanced budget in 5 years. Later he said a balanced budget in 7 years, and later in 8 years, and later 9 years, and later in 10 years. That is one of the major differences of two in the failure of the President to keep his commitment to try to balance the budget.

The second difference is over economic assumptions. I must say I find no item more important than realistic economic assumptions. The distinguished Democratic leader, for whom I have a great deal of respect, has come to this floor and noted for the record that we have had assumptions that were not optimistic enough in the last few years. It is quite true that prior assumptions in periods of economic upturn have proved sometimes too conservative. It is the nature of the assumptions. We have had assumptions in the past that follow a general rule. They are not optimistic enough when we have an economic recovery, and they are not pessimistic enough when we have an economic downturn.

I submit the judgment and the weight of long-range economic assumptions should not just be how they per-

form in the short term of an upswing or a downswing but how they perform over the long term. Here the record is very clear. No one should be mistaken about it. The assumptions we have used for the last quarter of a century, whether they be from the Executive Office or the Congressional Budget Office, have been wildly optimistic. They have overstated the revenue that would come and they have understated the outgo, the spending of the Federal Government. The reality is this has been one of the major places of gamesmanship. Economic assumptions have been used to mislead the American people.

All one need to do is take a look at the budgets for the last 25 years. Every single one of them except for the last couple years have suggested, while they would not balance the budget this year, they would balance the budget the following year or the year after that or the year after that. It used to be we would balance the budget 1 year out and then 2 years out and then 3 and then 4 and then 5. No one can honestly look at the economic assumptions that have been used in calculating our budget and not conclude that they were fraudulent. They have consistently overstated revenue and consistently understated expenditures. One need only look at the Social Security assumptions to see the fraud.

I do not want to overdo this point, but I think it is critical that people understand how important the economic assumptions argument is because it goes to the very integrity of the books, it goes to the very integrity of whether or not we achieve a balanced budget.

The President is suggesting that we cook the books. That is what this controversy is all about—his refusal to honor his commitment on balancing the budget and his unwillingness to live up to realistic estimates.

I do not know how many Members had a chance to look at the details of the President's proposal in terms of economic assumptions earlier this year. Dr. Laura Tyson defended them before the Budget Committee. One of the things I found so extreme in the President's proposal was literally the suggestion that they were going to use two rates of inflation, one rate of inflation when calculating income and another rate of inflation when calculating expenditures.

I understand how reasonable men and women can differ on the value and the content of economic assumptions. To assume different rates of inflation when you are calculating the income and expenditures is absurd. Could they be off slightly in the way we do the calculations? Of course. But there was a significant and is a significant difference in the way the President's people calculate inflation. It is absolutely fraudulent. There is no integrity in those numbers.

If we adopt economic assumptions that undercut the integrity of this budget process, we will have deceived the American people.

Men and women can honestly disagree, and we are going to negotiate over how much tax cut we should have, and we are going to negotiate how much spending we should have. And everyone understands there has to be a compromise in those areas.

There should be no compromise on the integrity of the budget process. Congress has compromised the integrity of the budget far too long. It is one of the core reasons why we find ourselves in the disaster situation that stands before us.

I hope there is an agreement reached today, but I for one cannot agree to destroy the integrity of the budget process. I for one think it would be a great mistake if included in that agreement is a willingness to accept phony numbers and phony assumptions and false claims. It is the road that has gotten us to this problem. It is the problem we must address honestly and straightforwardly. I believe, if we do, if we use honest numbers and realistic changes, this country's economy will blossom in the future as it has in the past.

I yield the floor, Mr. President.

Mr. McCain. Mr. President, I ask unanimous consent to proceed as if in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

EFFECTS OF SHUTTING DOWN THE FEDERAL GOVERNMENT

Mr. McCain. Mr. President, I wish to share my views of appreciation for the remarks just made by the Senator from Colorado. I would also like to express my appreciation to the Senator from Maine [Ms. SNOWE], on the introduction of her legislation, and I urge the leadership on both sides of the aisle to take up that legislation and pass it.

As the Senator from Maine pointed out, there is a great credibility gap here in the Congress that we treat ourselves all too often differently from the American people. This is a glaring example of it. People who also work for the Federal Government are not receiving their pay and benefits, and we in the Congress continue to do so.

That is not a good message for us to send. I do believe that as in the past there is very little doubt we will compensate those who have been laid off as nonessential workers, although I would certainly hope we in the Congress would examine the impact or the lack of impact of the absence of some of those nonessential workers and perhaps over time we could use that as a guide to downsizing the size of Government. In the meantime, we in the Congress should not accept our paychecks when Federal workers are also not receiving them.

Mr. President, I wish to also point out that some of the actions taken in this downsizing or laying off of essential workers and providing what is deemed nonessential, cutting off what are deemed nonessential services to the